



**Department of Commerce**  
Innovation is in our nature.

**Revised February 2, 2010**

# **PROGRAM GUIDELINES**

FOR

## **Homelessness Prevention and Rapid Re-Housing Program**

*This is a program funded by the  
American Recovery and Reinvestment Act.* | **RECOVERY.GOV**





## Table of Contents

1. Program Overview .....	5
2. Eligibility for Assistance .....	6
Prevention Eligible Individuals and Households .....	8
Rapid Re-Housing Individuals and Households .....	9
3. Eligible Program Activities and Expenses .....	10
Financial Assistance .....	11
Rental Assistance .....	11
Security and Utility Deposits .....	16
Utility Payments .....	16
Moving Costs .....	18
Hotel/Motel Vouchers .....	18
Staff costs to issue Financial Assistance .....	18
Inspections for Habitability Standards and Lead Inspections .....	19
Housing Relocation and Stabilization Services .....	20
Data Collection .....	22
Administrative Costs .....	22
4. Ineligible and Prohibited Activities .....	23
5. Coordination with Recovery Act Resources .....	24
6. Income Eligibility and Income Verification .....	24
7. Habitability Standards and Inspections .....	26
8. Lead Based Pain Requirements .....	27
9. Termination of Participation, Denial and Grievance Procedures .....	28
10. Nondiscrimination and Equal Opportunity Requirements .....	29
11. Affirmatively Further Fair Housing .....	29
12. Drug Free Workplace Requirements .....	30
13. Equal Participation of Religious Organizations .....	30
14. Lobbying and Disclosure Requirements .....	31
15. Confidentiality of Program participant Records .....	31
16. Criminal Background Checks .....	31
17. Program Administration .....	31
Appendix A .....	35



# Homelessness Prevention and Rapid Re-Housing Program (HPRP)

## Guidelines

### 1. Program Overview

The Homelessness Prevention and Rapid Re-Housing Program (HPRP) is funded by the Homeless Prevention Fund (HPF) created under Title XII of Division A of the American Recovery and Reinvestment Act (Recovery Act) of 2009. The Department of Commerce is a Grantee of the Department of Housing and Urban Development (HUD) and will administer this award for eligible counties and cities in the balance-of-state.

The purpose of the HPRP is to provide homelessness prevention assistance to households who would otherwise become homeless - many due to the economic crisis - and to provide assistance to rapidly re-house persons who are experiencing homelessness. The funds under this program are intended to target individuals and families who would be homeless but for this assistance. The funds will provide for a variety of assistance, including: short-term or medium-term rental assistance and housing relocation and stabilization services, including such activities as mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management

**Definitions:** There are several new terms being used for recipients of Recovery Act funding. For the purposes of the HPRP the following will be used:

What the Housing Division at Commerce would normally call a Lead Agency/Grantee is considered a “Sub Recipient” for this new program.

A subcontractor of a Lead Agency/Grantee would normally be called a subcontractor or subgrantee is now considered a “Vendor” for this new program.

**For the purpose of reading these Guidelines, we are using the familiar term of “Lead Agency” throughout the document and “program participant/s” for HPRP clients.**

**All of the requirements in these program guidelines apply to both Lead Agency and their sub contractor or sub grantee.**

These guidelines will be updated as necessary throughout the grant period. Checkout [www.commerce.wa.gov/HPRP](http://www.commerce.wa.gov/HPRP) frequently to ensure you are referencing the latest version and information and to access all of the *Attached Documents* for these Guidelines.

## **2. Eligibility - Who can receive support from the HPRP grant funds?**

Based on “Housing Status” there are two populations that are eligible for assistance.

**Prevention Eligible Individuals and Households:** These people are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless. It can be challenging to identify persons who are housed and who have a very high risk of becoming homeless. There are many people who are housed and have great need but would not become homeless if they did not receive assistance. HUD and Commerce strongly encourage Lead Agency’s to target prevention assistance to those households at the greatest risk of becoming homeless.

**Rapid Re-Housing Eligible Individuals and Households:** These people are experiencing homelessness and need temporary assistance in order to obtain housing and retain it. Rapid re-housing assistance is available for persons who are homeless according to HUD's definition:

1. Sleeping in an emergency shelter;
2. Sleeping in a place not meant for human habitation, such as cars, parks, abandoned buildings, streets/sidewalks;
3. Staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation (cars, parks, streets, etc.) immediately prior to entry into the hospital or institution;
4. Graduating from, or timing out of a transitional housing program; and
5. Victims of domestic violence.

### **DOCUMENTATION for PREVENTION and RAPID RE-HOUSING**

**Attachment 1 - *Housing Status: Eligibility Determination and Documentation Requirement*** explains how HUD wants housing status for Rapid Re-Housing eligibility and Prevention eligibility documented. The type of documentation outlined in this attachment will be examined in program participant files at time of grant monitoring.

**Attachment 2 – *Homeless Certification – for Rapid Re-Housing***

**Attachment 3 – *Self Declaration of Housing Status – for both Rapid re-Housing and Prevention***

**Attachments 2 and 3 are not required in program participant’s file; however, it is strongly recommended. If the Lead Agency does not use the forms, the information should be readily identifiable in a program participant file.**

**In order to receive Prevention or Rapid Re-Housing assistance and services, program participants must have the following:**

1. ***Initial Consultation & Eligibility Determination***: the household must receive an initial consultation and eligibility assessment with a case manager or other authorized representative who can determine eligibility and the appropriate type of assistance needed;

The initial consultation must assess and document that an applicant household would become homeless but for the HPRP assistance. In other words, without HPRP assistance the household would require emergency shelter or would otherwise become literally homeless. Persons who are at risk of losing their present housing may be eligible if it can be documented that their loss of housing is imminent without HPRP assistance, including verifications/documentation that the household does not have the financial resources and support networks to assist with their housing need and they have no other subsequent housing options. The most important thing is the “but for” rule. Case files should include clear documentation and assessments notes that demonstrate an assisted household would have become literally homeless if not for the HPRP assistance. A helpful way for Lead Agency’s to consider this issue is as follows: if Commerce or HUD were to conduct a monitoring visit, would they be able to clearly see that an assisted household was eligible based on case file notes and documentation?

2. ***Income***: the household’s total income must be at or below 50 percent of Area Median Income (AMI);
3. ***Housing Status***: the household must be either homeless (rapid re-housing) **OR** at risk of losing its housing (prevention);  
**AND** meet both of the following circumstances:
  - a. No appropriate subsequent housing options have been identified;
  - b. The household lacks the financial resources and support networks needed to obtain immediate housing or remain in its existing housing.

A Lead Agency is required to evaluate and certify the eligibility of HPRP program participants (per the above criteria) **at least once every 3 months** for all households receiving HPRP medium-term rental assistance **or** other HPRP services lasting longer than 3 months. The reassessments can be conducted by telephone in cases where distance prohibits a face-to-face assessment, though Commerce encourages face-to-face assessments whenever possible. Local travel for program employees (e.g., mileage) is an eligible case management expense.

***A Staff Affidavit - Attachment 4, must be included in a program participant’s file.***

***Why is HUD requiring the Staff Affidavit?***

The HPRP Staff Affidavit is intended to protect HUD and grantees against fraud and abuse charges. The Staff Affidavit serves to remind HPRP program staff that they are legally bound to

determine and document the eligibility of applicants according to HPRP requirements before providing assistance. Use of the form, which went into effect on November 1, 2009, will be reviewed by HUD and Commerce as part of the monitoring process.

### **A. Prevention Eligible Individuals and Households**

**To be eligible, program participants must meet both of the following circumstances:**

1. no appropriate subsequent housing options have been identified; AND
2. the household lacks the financial resources and support networks needed to remain in its existing housing.

**Eligible individuals and households must also meet two of the following risk criteria and reasoning for this must be documented.**

**Case notes about these risks combined with verification and documentation of the two required circumstances above should indicate that their loss of housing is imminent without HPRP assistance.**

1. Eviction within 2 weeks from a private dwelling (including housing provided by family or friends);
2. Discharge within 2 weeks from an institution in which the person has been a resident for more than 180 days (including prisons, mental health institutions, hospitals);
3. Residency in housing that has been condemned by housing officials and is no longer meant for human habitation; or
4. Sudden and significant loss of income
5. Sudden and significant increase in utility costs;
6. Mental health and substance abuse issues;
7. Physical disabilities and other chronic health issues, including HIV/AIDS;
8. Severe housing cost burden (greater than 50 percent of income for housing costs);
9. Homeless in last 12 months;
10. Young head of household (under 25 with children or pregnant);
11. Current or past involvement with child welfare, including foster care;
12. Pending foreclosure of rental housing;
13. Extremely low income (less than 30 percent of Area Median Income);
14. High overcrowding (the number of person exceeds health and/or safety standards for the housing size unit)
15. Past institutional care (prison, treatment facility, hospital);
16. Recent traumatic life event, such as death of a spouse or primary care provider, or recent health crisis that prevented the household from meeting its financial responsibilities;
17. Credit problems that preclude obtaining of housing; or
18. Significant amount of medical debt.



## **B. Rapid Re-Housing Eligible Individuals and Households**

**To be eligible, program participants must meet both of the following circumstances:**

1. no appropriate subsequent housing options have been identified; AND
2. the household lacks the financial resources and support networks needed to remain in its existing housing.

**Eligible individuals and households must also meet one of the following criteria.**

1. Sleeping in an emergency shelter;
2. Sleeping in a place not meant for human habitation, such as cars, parks, abandoned building, streets/sidewalks;
3. Staying in a hospital or other institution for up to 180 days but was sleeping in an emergency shelter or other place not meant for human habitation (cars, parks, streets, etc.) immediately prior to entry into the hospital or institution;
4. Graduating from, or timing out of a transitional housing program; and
5. Victims of domestic violence.

### **Assisting Illegal Immigrants:**

In accordance with Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, an alien (a person who is not a U.S. citizen or national) may be eligible for assistance under HPRP only if he or she is a “qualified alien” (defined in 8 U.S.C. 1641). This means that no entity that receives funds under HPRP may knowingly provide HPRP assistance to an alien who is not a qualified alien.

The law requires all state and local governments that directly administer HPRP assistance to first verify that an alien is a qualified alien before using HPRP funds to assist him or her. Nonprofit organizations that administer HPRP assistance are not required, but may, verify that an alien is a qualified alien in order to provide him or her with HPRP assistance. However, if a nonprofit organization pursues verification, it must follow the requirements set forth in the interim guidance published by the Department of Justice.

For more information on these requirements (including documentation), see the “Interim Guidance on Verification of Citizenship, Qualified Alien Status, and Eligibility under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996,” 63 Federal Register 61344 (Nov. 17, 1997), available at <http://www.gpoaccess.gov/fr/advanced.html>. (Select 1997 Federal Register and search for page 61344. Scroll down through the list provided to find “Interim Guidance of Verification of Citizenship, Qualified Alien.”)

Grantees/subgrantees with additional questions are encouraged to contact their local US Citizenship and Immigration Services (USCIS) office. An office locator is available at <https://egov.uscis.gov/crisgwi/go?action=offices>

NOTE: Other than what is mentioned above for documenting assistance to illegal immigrants, Commerce does not require that copies of a program participant's driver's license, birth certificate or other identifying information be required or maintained in a program participant file to be eligible for HPRP. If the Lead Agency chooses to request this type of documentation, it should be for a specific, appropriate and time limited purpose and maintained in a confidential manner.

### **Q&A on eligibility from HUD:**

***In a situation where there are two unrelated individuals on a lease - one who is eligible, and one who is not – can a grantee assist the eligible individual?***

If two unrelated individuals are joint parties to a lease, a grantee must consider total household income to determine eligibility (i.e., either the whole household is eligible for assistance, or the whole household is not).

***Under HPRP, if homeless families are re-housed and receive short or medium-term rental assistance, will this make them ineligible for a CoC-funded transitional or permanent supportive housing program? In other words, does participation in HPRP eliminate an individual's homeless status?***

HPRP assistance is temporary. Persons who were homeless before receiving HPRP assistance (Rapid Re-housing assistance) do not lose their homeless status and remain eligible for assistance under other CoC-funded programs. However, chronically homeless persons that receive HPRP assistance would no longer be considered chronically homeless (making them ineligible for Samaritan projects).

### **3. Eligible Program Activities and Expenses – What can HPRP pay for?**

HPRP assistance is not intended to provide long-term support for program participants, nor will it be able to address all of the financial and supportive services needs of households that affect housing stability. Rather, assistance should be focused on housing stabilization, linking program participants to community resources and mainstream benefits, and helping them develop a plan for preventing future housing instability. Lead Agency programs should therefore ensure that there is a clear process for determining the type, level, and duration of assistance for each program participant.

**There are four categories of eligible program activities and expenses, described in detail below:**

- A. Financial Assistance**
- B. Housing Relocation and Stabilization Services**
- C. Data Collection and Evaluation**
- D. Administrative costs**

These eligible activities are intentionally focused on housing: financial assistance to help pay for housing, or services designed to keep people in housing or to find housing. Generally, the intent of HPRP assistance is to rapidly transition program participants to stability, either through their own means or through public assistance, as appropriate.

### **A. Financial Assistance**

Lead Agencies are responsible for verifying and documenting all payments made on behalf of the program participant whether it is rent, utilities, moving costs, hotel or motel payments etc in an easily identifiable manner which will be reviewed in entirety during grant monitoring by Commerce.

All of the types of Financial Assistance must also be noted in HMIS (except Staff costs to issue Financial Assistance) in the Services Provided Activity section.

Lead Agencies must not make payments directly to program participants, but only to third parties, such as landlords or utility companies. In addition, an assisted property may not be owned by the Lead Agency, or the parent, subsidiary or affiliated organization of the Lead Agency.

In order to ensure that program participants in a county are receiving consistent services between agencies, Commerce is requiring all agencies which have a grant for HPRP funds to use the same rules and guidelines regarding the administration of Financial Assistance activities: rental assistance and utility assistance, rental and utility arrears, security and utility deposits, moving costs, and hotel and motel vouchers. Current Financial Assistance rules and guidelines (as well as revisions throughout the grant period) are to be submitted to Commerce

**There are several types of eligible Financial Assistance outlined below.**

- 1) Rental Assistance**
- 2) Security and Utility Deposits**
- 3) Utility Payments**
- 4) Moving Costs**
- 5) Hotel/Motel Vouchers**
- 6) Staff costs to issue Financial Assistance**
- 7) Inspections for Habitability Standards and Lead Inspections**

#### **1) Rental Assistance**

- A lease must be in place and the program participant must be on the lease. A copy of the lease must be kept in the program participant file and uploaded in HMIS in the Central Intake section into the Documents.

Program participants may not be placed in a unit owned by the grantee, sub grantee or the parent, subsidiary or affiliated organization of the sub grantee.

The following rental assistance is available:

***Short-term rental assistance*** – Costs may not exceed rental costs accrued over a period of 1 to 3 months. After 3 months, if program participants receiving short-term rental assistance need additional financial assistance to remain housed, they must be evaluated for eligibility to receive up to 15 additional months of medium-term rental assistance, for a total of 18 months.

***Medium-term rental assistance*** – Costs may not exceed rental costs accrued over a period of 4 to 18 months. No program participant may receive more than 18 months of rental assistance.

***Amount of rental assistance*** - Lead Agencies determine the amount of short-term and medium-term rental assistance provided, such as "shallow subsidies" (payment of a portion of the rent), payment of 100 percent of the rent charged, or graduated/declining subsidies. A Lead Agency may also set a maximum amount of assistance that a single individual or family may receive from HPRP funds, or may set a maximum number of times that an individual or family may receive assistance, as long as the total amount of assistance that any individual or family receives does not exceed an amount equal to 18 months of rental assistance. Commerce will monitor each agency's performance against their Financial Assistance rules and guidelines.

***Rental Arrears*** – Rental assistance may also be used to pay for up to 6 months of rental arrears for eligible program participants. Rental arrears may be paid if the payment enables the program participant to remain in the housing unit for which the arrears are being paid or move to another unit. If HPRP funds are used to pay rental arrears, arrears must be included in determining the total period of the program participant's rental assistance, which may not exceed 18 months.

Rental assistance may also be used to pay up to 6 months of rental arrears for eligible program participants facing eviction for non-payment of rent if the payment enables the program participant to remain in the housing unit for which the arrears are being paid. In cases where an eviction cannot be prevented, rental arrears can still be paid if it satisfies the grievance with the evicting landlord and thereby allows the participant to obtain different housing. Note that rental arrears can be paid on behalf of a person receiving a subsidy from another public program (e.g., Section 8) because it represents a different time period and cost type than the rental subsidy (ie, the arrears represents a back payment of the program participant portion, and the current rental assistance is a forward payment).

### **Tenant Rent Share**

Lead Agencies may require program participants to share in the costs of rent, utilities, security and utility deposits, moving, hotel or motel, and other expenses as a condition of receiving HPRP financial assistance. For example, a Lead Agency may require a program participant to pay a portion of the rent expense for a unit. HPRP assistance should be "needs-

based," meaning that the Lead Agency should determine the amount of assistance based on the minimum amount needed to prevent the program participant from becoming homeless or returning to homelessness in the near term. This will also help communities to utilize program resources efficiently to serve as many households as possible.

### **Rent Reasonableness**

The rental assistance paid cannot exceed the actual rental cost, which must be in compliance with HUD's standard of "rent reasonableness."

- **Fair Market Rents (FMRs) are not applicable under HPRP.**
- "Rent reasonableness" means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same time period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted units.
- To make this determination, the Lead Agency should consider (a) the location, quality, size, type, and age of the unit; and (b) any amenities, housing services, maintenance and utilities to be provided by the owner. Comparable rents can be checked by using a market study, by reviewing comparable units advertised for rent, or with a note from the property owner verifying the comparability of charged rents to other units owned (for example, the landlord would document the rents paid in other units). For more information, see HUD's worksheet on rent reasonableness at: [www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc](http://www.hud.gov/offices/cpd/affordablehousing/library/forms/rentreasonablechecklist.doc)
- HPRP rental assistance may only be used to assist eligible program participants in units that meet rent reasonableness standards. Therefore, assistance may be provided for units that exceed the FMR as long as the rent meets the rent reasonableness standard. However, if the rent for the unit does not meet the rent reasonableness standard, then HPRP funds may not be used to assist the household in that unit (**nor can HPRP funds be used to pay the rent up to the rent reasonable standard, while the tenant pays the remainder**). However, an eligible household could receive HPRP assistance to relocate to another unit that does comply with rent reasonableness standards, and is ultimately more affordable to the household.
- A Lead Agency must determine and document rent reasonableness for all units for which HPRP rental assistance (including arrears) and/or security deposit assistance is being provided. The requirement applies whether homelessness prevention assistance or rapid re-housing assistance is provided (i.e. when participants are moving into units and when there is a current lease in place).

## **Q&A on rental assistance from HUD:**

### ***Does a rent reasonableness determination have to be conducted for households living in Section 8 units or public housing?***

Grantees must remember that HPRP assistance cannot be provided to eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, state, or local housing subsidy program. As such, HPRP may not be used to pay the tenant's portion of the rent payment when the household is receiving another rental assistance subsidy (even if the other subsidy is a shallow subsidy).

However, in cases where HPRP is being used to assist an eligible household living in Section 8 or public housing with other types of assistance (arrearage or a security deposit, as applicable), the grantee must document that the unit is in compliance with the rent reasonableness standard. Grantees should also remember that documenting compliance with the FMR is not enough. Fair Market Rents (FMRs) and rent reasonableness are two different concepts; FMRs do not apply under HPRP.

### ***How would the 18-month timeline for the receipt of assistance be calculated for participants receiving different types of assistance?***

The 18-month limitation applies to services as well as rental and utility assistance. They are each calculated separately, and the months need not be concurrent. The intent of separate clocks is to provide flexibility to grantees, but HUD expects that in most cases, households will need services that are concurrent with financial assistance in order to increase housing stability. Grantees must remember that all households – even those receiving services only – must be reassessed every three months to verify that they meet all HPRP eligibility criteria and that the assistance is needed to prevent homelessness.

### ***If HPRP funds are used to assist an eligible client with arrears, does each month of arrears count as one month of HPRP assistance?***

Yes. Although the payment would be a lump sum payment (and recorded as such in HMIS), each month of arrears would count against the 6 month limit on arrears as well as the 18 month overall limit on rental assistance allowed under HPRP.

### ***If a participant is receiving rental assistance through another program, can they also receive HPRP assistance?***

Rental assistance payments cannot be made on behalf of eligible individuals or households for the same period of time and for the same cost types that are being provided through another federal, state or local housing subsidy program. HPRP assistance cannot be provided to eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, state, or local housing subsidy program. As such, HPRP may not be used to pay the tenant's portion of the rent payment when the household is receiving

another rental assistance subsidy (even if the other subsidy is a shallow subsidy). However, in cases where HPRP is being used to assist an eligible household living in Section 8 or public housing with other types of assistance (arrearages or a security deposit, as applicable), the Lead Agency must document that the unit is in compliance with the rent reasonableness standard. Documenting compliance with the FMR is not enough.

***Can HPRP funds be used to pay rent in a group home, assisted living facility, or board and care setting?***

As long as each resident of a group home, assisted living facility, or boarding house has an individual lease, and has been assessed and certified to be eligible to receive HPRP assistance, HPRP funds may be used to assist persons residing in these types of housing. However, grantees must remember that in order to be eligible to receive HPRP assistance, the person must be about to become homeless, or homeless "but for" HPRP assistance.

Grantees must also remember that HPRP is tenant-based assistance, and HPRP funds cannot be used for assistance in any project-based programs. The assistance cannot be attached to a unit; an eligible HPRP program participant must be able to choose whether to reside in the group housing or in another unit. Further, HPRP is a temporary assistance program with limited services that are provided separate from the housing, and is intended to assist persons who can remain stably housed after the assistance ends. If someone needs more intensive supports, HPRP may not be the most appropriate program for that individual. Finally, grantees must remember that financial assistance for persons in a group home setting is limited to rent, security deposits, utility deposits, and utility payments. Service fees that might be applied at assisted living facilities are not eligible. In addition, if there is another rental subsidy being provided, HPRP cannot be used for rent, and if there is a utility subsidy being provided, HPRP cannot be used for utilities.

***Can HPRP program participants receive assistance in tax credit projects?***

Tax credit projects could be eligible to house HPRP program participants—the rental “subsidy” received from a tax credit property is not considered the same “cost type” direct rental assistance. However, if a grantee or subgrantee has any financial interest—even 1 percent or less—in the project, it does invoke the conflict of interest provisions.

In cases where the grantee or the subgrantee has a financial interest in a project, (such as a tax credit project), the grantee may seek a waiver from HUD to allow the use of this housing for HPRP participants. The grantee must submit a letter to Commerce requesting a waiver for good cause, including the following information:

- A description of the benefit(s) to HPRP participants;
- How the grantee/subgrantee disclosed the conflict and addresses/mitigates any potential issues;
- Demonstrate that the grantee/subgrantee have looked for other appropriate housing and it is not available, or there is a good reason why the grantee/subgrantee housing is better for the clients;
- Demonstrate that the subsidy is not tied to a unit – clients have to be able to choose the grantee/subgrantee housing;
- An attorney must review the housing selections and report that the activities proposed do not violate state and local law; and no implied benefit to any individual or organization.

***Is payment of rented trailer pads/lots on which a mobile home residence rests an eligible expense under HPRP?***

Rental assistance or arrears to pay for a lot on which a trailer is located can be eligible under financial assistance, although it is up to the grantee to determine whether to use HPRP funds for financial assistance costs associated with manufactured homes/trailer pads. HUD does not prohibit it.

**2) Security and Utility Deposits**

HPRP funds may be used to pay for security deposits, including utility deposits, for eligible program participants. Commerce is giving Lead Agencies the discretion to recover the deposits in which case it must be treated as program income (and therefore expended by 6/30/2012) or allowing the household to keep the deposit. This should be noted in the agencies Financial Assistance rules and guidelines.

**3) Utility Payments**

HPRP funds may be used for up to 18 months of utility payments, including up to 6 months of utility payments in arrears, for each program participant, provided that the program participant or a member of his/her household has an account in his/her name with a utility company or proof of responsibility to make utility payments, such as cancelled checks or receipts in his/her name from a utility company. Late fees and reconnect fees that are sometimes associated with arrears are an eligible expense as long as the assistance is needed to prevent homelessness. Eligible utilities include gas, electric, water, sewer and garbage. Telephone, cell and internet are not eligible expenses.

**Q&A on utility assistance from HUD:**

***Can grantees provide utility-only assistance? What is the qualifying hardship? And what type of documentation is required in such instances?***

Grantees can provide utility-only assistance, but HUD expects that this will be rare. First, there are laws governing public utilities in many states that prevent utility companies from shutting off power to a unit during winter months, and which may also require the utility company to offer payment plans to households that miss payments. Second, staff must confirm that no other utility assistance, such as LIHEAP, is available to prevent the shut-off.

If neither of these conditions exist, however, utility-only assistance may be justified under a couple of different scenarios. First, if utilities are shut off during winter months, this can result in a dangerous situation for the occupants. If the household is going to have to abandon the housing due to a lack of utilities and can avoid moving to a shelter by having utilities paid, then HPRP funds may be used for this purpose. Under another scenario, an applicant's lease may include a provision requiring utilities be maintained for the unit by the tenant. As a result, a utility shut-off could constitute a lease violation, thus placing the household at risk for eviction. In both cases, it



is the grantee or sub grantee's responsibility to confirm and document in the case file that the utility company will in fact shut-off the utility if the amount due is not paid.

If the household is going to have to leave the housing due to a lack of utilities, can avoid literal homelessness by having utilities paid, and meets other HPRP eligibility requirements, then a household may be assisted under the Homelessness Prevention category with utility-only assistance.

With regard to documentation, a copy of a utility shut-off notice or arrears statement is not sufficient by itself to document program eligibility. In addition to documenting, via an assessment, that the household has no other financial resources, support networks, or other housing options, grantees/subgrantees must also assess and document that a household with a utility shut-off notice will become literally homeless but for HPRP assistance. In practical terms, this means that HPRP staff must assess whether the household will lose their housing if the utility is shut-off (i.e., it will constitute a lease violation causing lease termination and/or will cause housing to be unfit for human habitation). HPRP staff should attempt to obtain a copy of the participant's lease and highlight the provision related to utility obligations and consequences. If unable to obtain a lease, HPRP staff should assess and record such circumstances in the HPRP participant case file. As with other HPRP eligibility documentation, HPRP staff must first attempt to obtain third-party verification. Participant self-declaration is only acceptable if third-party documentation cannot be obtained.

***Can HPRP financial assistance be used to cover "excess utilities" for public housing tenants, over and above the amount subsidized in public housing?***

No. Assistance cannot be provided to eligible individuals or families for the same period of time and for the same cost types that are being provided through another Federal, state, or local subsidy program. If a participant is receiving utility assistance under another program (either a full or partial subsidy), HPRP funds may not be used for utility assistance during that same time period.

***The guidance indicates that up to 6 months of utility arrears can be paid under the eligible activities within financial assistance. Is the eligible amount the actual charges accrued during the most recent 6 months, or any timeframe, up to a maximum of 6 months of total expenses?***

Utility arrears may be paid for any 6 months, as long as the program participant meets all eligibility criteria, and as long as the payment of the arrears allows the program participant to either remain in the housing or obtain new housing. The maximum amount that can be paid is the total arrears accrued during the 6 month period.

***How would the 18-month timeline for the receipt of assistance be calculated for participants receiving different types of assistance?***

The 18-month limitation applies to services as well as rental and utility assistance. They are each calculated separately, and the months need not be concurrent. The intent of separate clocks is to provide flexibility to grantees, but HUD expects that in most cases, households will need services that are concurrent with financial assistance in order to increase housing stability. Grantees must remember that all households – even those receiving services only – must be reassessed every three months to verify that they meet all HPRP eligibility criteria and that the assistance is needed to prevent homelessness.

**4) Moving Costs**

HPRP funds may be used for reasonable moving costs, such as truck rental, hiring a moving company, or short-term storage fees for a maximum of 3 months or until the program participant is in housing, whichever is shorter.

If a Lead Agency decides to help a program participant relocate to a different state or another area of the state, the Lead Agency retains responsibility for ensuring all requirements associated with the program are met. This includes documentation of rent reasonableness, conducting the habitability standards and lead based paint inspections and conducting reassessments every three months.

HPRP is not a reunification or relocation program. HPRP assistance for moving costs related to reuniting eligible applicants with family members is not eligible unless the participant can live with the family member permanently. If the HPRP program participant has been assessed and determined to meet all HPRP eligibility criteria and they have permanent affordable housing identified in another location, HPRP funds may be used to pay for moving costs to another state. However, note that transportation costs (including bus, train, and airplane tickets) for program participants are not eligible.

**5) Motel and Hotel Vouchers**

**HPRP is not an emergency shelter program.** Funds may be used for reasonable and appropriate motel and hotel vouchers for up to 30 days if no appropriate shelter beds are available and subsequent rental housing has been identified but is not immediately available for move-in by the program participants.

Note that documentation that rental housing has been identified and is not immediately available will be reviewed in monitoring.

**6) Staff costs to issue Financial Assistance**

This cost is not for case management or the cost of a full time bookkeeper whose duties extend beyond HPRP related activities. This cost is associated with the appropriate portion of

salary and benefits of the bookkeeper who issues checks to landlords or paying hotel or motel bills on behalf of a program participant because it is directly related to the delivery of Financial Assistance.

## **7) Inspections for Habitability Standards and Lead Based Paint Inspections**

This cost is not for case management. This cost is associated with the salary and benefits of the staff person performing and documenting unit inspections for habitability standards.

The cost of conducting a Lead-Based Paint visual assessment is an eligible financial assistance expense. Note that if peeling/deteriorated paint is detected during the visual assessment, costs associated with testing and repair/cleanup are not eligible under HPRP. However, once the deteriorated paint has been repaired, the cost of one Clearance Exam may be charged against the grant under the financial assistance category.

### **Q&A from HUD:**

#### ***Can HPRP funds be used to pay for application fees, credit reports, and/or criminal background checks?***

Fees for rental applications are not an eligible HRPP expense.

With regard to credit reports and other background checks, grantees and subgrantees electing to conduct credit and background checks on HPRP participants in an effort to understand the client's credit issues and other barriers to stable housing (i.e., as part of the client assessment) may use HPRP funds to pay the costs associated with the credit and background checks.

**However, grantees and subgrantees may NOT use HPRP funds to reimburse landlords for their costs associated with conducting credit and/or background checks.**

NOTE: If grantees or subgrantees elect to conduct credit and/or background checks on HPRP participants, they must do so universally so as to not violate Fair Housing Law or otherwise discriminate among HPRP participants. The costs associated with the credit and/or background checks can be charged to housing search and placement under Housing Relocation and Stabilization.

#### ***Are grantees allowed to charge a program fee (e.g., 30% of a participant's adjusted gross income) and use it to establish a savings account for the participant?***

Grantees and subgrantees may not charge program fees to participants. However, programs may be designed to require participants to pay a portion of their income for rent and/or into escrow/savings accounts for the purpose of maximizing their housing stability.

## **B. Housing Relocation and Stabilization Services**

HPRP funds may be used for services that assist program participants with housing stability and placement. These services are limited to the following eligible activities:

- 1) Case Management**
- 2) Outreach and Engagement**
- 3) Housing Search and Placement**
- 4) Legal Services**
- 5) Credit Repair**
- 6) Other costs, as approved by Commerce**

### **1) Case Management**

HPRP case management funds may be used for activities for the arrangement, coordination, monitoring, and delivery of services related to meeting the housing needs of program participants and helping them obtain housing stability. Services and activities may include: counseling; developing, securing, and coordinating services; monitoring and evaluating program participant progress; assuring that program participants' rights are protected; and developing an individualized housing and service plan, including a path to permanent housing stability subsequent to HPRP financial assistance.

## **Q&A on case management from HUD:**

***Can grantees provide housing stabilization supports to households that are relocated from shelter to unsubsidized housing, even if HPRP rent assistance is not used in that re-housing activity?***

Eligible program participants who are rapidly re-housed from shelter to unsubsidized housing may receive Housing Relocation and Stabilization Services without also receiving HPRP rental assistance, as long as they meet all of the eligibility criteria and would be homeless without the HPRP services provided.

***HUD states that administrative costs include training “case managers who will serve program participants, as long as this training is directly related to learning about HPRP.” Does such training include case management skills to provide services in rapid re-housing programs or training in other skills critical to homelessness prevention, such as the skills necessary to connect HPRP participants to mainstream programs offering employment services?***

General training for case manager to enhance their ability to provide services, counseling, or linkages with other programs – even Recovery Act programs – is NOT an eligible cost. These are considered general skills that a case manager would need in order to do their job, regardless of HPRP. HUD's intent is to allow persons providing services or administering the local HPRP

program to attend training provided by HUD, the grantee, an authorized HPRP technical assistance provider or other HPRP training held in partnership with HUD in order to learn about HPRP eligible activities, eligible participants, and other requirements, and intent of HPRP. Training on the specific policies and procedures of a grantee's HPRP program may also be an eligible expense, but general training on rapid re-housing or homelessness prevention programs is not.

***Is assisting homeless or those at risk of becoming homeless to obtain expungements and/or pardons of their criminal records an eligible activity under HPRP? Is re-entry advocacy to help ex-offenders get jobs and/or social services an eligible activity?***

Assisting homeless or soon-to-be-homeless persons in obtaining expungements and/or pardons of their criminal records is not an eligible activity under HPRP. Furthermore, advocacy is not an eligible expense, **nor is helping persons get jobs.** All eligible HPRP activities are directly related to housing. Helping eligible program participants to obtain other Recovery Act or mainstream resources is an eligible Housing Relocation and Stabilization Service.

***Case Management – Homelessness Prevention and Rapid Re-Housing – Attachment 5*** is resource HUD has provided for grantees.

## **2) Outreach and Engagement**

HPRP funds may be used for services or assistance designed to publicize the availability of programs to make persons who are homeless or almost homeless aware of these and other available services and programs. Not all households assessed under HPRP will be eligible for assistance. Time spent assessing a household is an eligible expense under this activity.

## **3) Housing Search and Placement**

HPRP housing search and placement funds may be used for services or activities designed to assist individuals or households in locating, obtaining, and retaining suitable housing. Services or activities may include: tenant counseling, assisting individuals and households to understand leases, securing utilities, making moving arrangements, representative payee services concerning rent and utilities, and mediation and outreach to property owners related to locating or retaining housing.

## **4) Legal Services**

HPRP funds may be used for legal services to help people stay in their homes, such as services or activities provided by a lawyer or other person(s) under the supervision of a lawyer to assist program participants with legal advice and representation in administrative or court proceedings related to tenant/landlord matters or housing issues. Legal services related to mortgages are not eligible. Lead Agency's may not use HPRP funds to reimburse landlords for any costs they may have incurred to begin an eviction process.

## **5) Credit Repair**

HPRP funds may be used for services that are targeted to assist program participants with critical skills related to household budgeting, money management, accessing a free personal credit report, and resolving personal credit issues. It does not include paying down consumer debt.

### **C. Data Collection**

Federal rules require each Lead Agency to enter program participant data into a Homeless Management Information System (HMIS). Eligible costs include data collection, entry and analysis and staffing associated with the operation of the HMIS, including training costs directly associated with the HPRP.

Each Lead Agency must follow all state and federal laws governing HMIS, including collecting informed written consent from program participants, not denying service based solely on program participant refusal to provide data to an HMIS, protecting program participant confidentiality, not collecting personally identifying information from program participants that are victims of domestic violence, and other requirements defined in [RCW 43.185C.030](#), [43.185C.180](#), and [VAWA Reauthorization Section 605](#).

Program participant data collected by HMIS systems will be transmitted to Commerce and then sent to DSHS for additional analysis. Written program participant consent forms should reflect this data transmittal. Program participant data will be used for research purposes only and only viewed by research staff and HMIS system administrators. Program participant data will not be disclosed to staff involved in determining program eligibility, or used in any way to determine program eligibility.

Lead Agencies may be required to collect basic identifying information from people turned away from service, as part of a research effort to measure program effectiveness.

### **D. Administrative Costs**

Administrative expenses are also sometimes called indirect or overhead. Such expenses can include, but are not limited to the following: Executive Director/accounting/human resource salaries, benefits, supplies, space, equipment, etc.; general agency insurance; audits; preparing reports; board expenses; membership or association fees, dues and specific HPRP training for staff who will administer the program or case managers who will serve program participants, as long as this training is directly dated to learning about HPRP and provided by HUD or Commerce. (Remember that HMIS Training can be charged to Data Collection.)

In cost reimbursement contracts, grants or interagency agreements, administration/indirect/overhead expenses can be charged to the funding sources using either a cost allocation plan or a federally approved indirect cost rate. However, organizations with an approved indirect cost rate cannot charge that rate to a single "indirect cost" line item in the grant. Instead, they should break out the costs necessary to operate the program and charge them directly under either Financial

Assistance or Housing Relocation and Stabilization Services or Data Collection, whichever is appropriate. For example, the appropriate proportion of the salary for the staff person responsible for making rental assistance payments is allowable under "Financial Assistance." In this scenario, the proportionate cost of a new computer for that staff person to issue financial payments is also allowed. Therefore, under HPRP, many costs otherwise included in an indirect cost rate are charged as direct costs under the appropriate line item.

Regardless of the method used, the rate of reimbursement shall not exceed that specified in the contract. All reimbursements shall be based on actual expenses. Estimates such as 1/12<sup>th</sup> do not qualify for reimbursement.

Administrative costs *do not* include the costs of issuing financial assistance, providing housing relocation and stabilization services, or carrying out eligible data collection and evaluation activities, such as Lead Agency staff salaries, costs of conducting housing inspections, and other operating costs. These costs should be included under one of the three other eligible activity categories.

#### **4. Ineligible and Prohibited Activities**

For Program Participants:

- Mortgage costs or any homeowner costs needed to assist with any fees, taxes, or other costs of refinancing a mortgage to make it affordable\*\*
- Charging a program participant a fee for service
- Issuing funds directly to program participant
- Rental assistance exceeding 18 months
- Construction or rehabilitation costs
- Credit card bills or other consumer debt
- Car repair or other general transportation costs
- Travel costs not associated with Moving Assistance (see page 8)
- Food
- Medical or dental care and medicines
- Clothing and grooming
- Home furnishings
- Child care
- Pet care
- Entertainment activities
- Work or education related materials
- Cash assistance
- Employment training
- Certifications, licenses, and general training classes

**\*\*HPRP** is not a mortgage assistance program. However, homeowners who become homeless are eligible for all HPRP activities; provide they meet the other eligibility criteria. Homeowners who are housed but are at risk of becoming homeless and meet all other eligibility criteria (consultation with a case manager, below 50% AMI, and at risk of becoming homeless with not housing options and lack financial resources) may be assisted with the following: utility payments (including arrears but excluding deposits) and housing relocation and stabilization services (including credit repair, case management, and housing search/placement but excluding legal services).

For Lead Agency:

- Costs associated with general training for case managers to enhance their job skills
- Costs associated with attending conferences or workshops

## **5. Coordination with Recovery Act Resources and Other Resources**

The Lead Agency is strongly encouraged, as part of local planning, to maximize all resources that may be available with Recovery Act funds other than HPRP. A Lead Agency's local plan for spending HPRP funds should coordinate closely with other Recovery Act funding streams, so that eligible activities under other Recovery Act programs are aligned with HPRP funds to create a comprehensive package of housing and service options available to eligible program participants. Case managers should work to link program participants to these other resources.

The Lead Agency must ensure that the individuals and households receiving service are not also receiving duplicated assistance from the Department of Social and Health Services (DSHS), the Washington Department of Veterans Affairs or assistance from the Washington State Low-Income Home Energy Assistance Program.

## **6. Income Eligibility and Income Verification**

For the HPRP, Commerce requires that only one agency administer Financial Assistance for the county OR that if more than one agency is administering Financial Assistance, then **Income Eligibility** calculations and **Income Verification** determinations are the same for all the agencies funded in the county.

**Income Eligibility:** The individual or household must be at or below 50 percent of Area Median Income (AMI).

You must enter Income Information in HMIS. AMI will be calculated for you. In HMIS, Extreme AMI is between 0-30%. Very Low is between 31-50%. Commerce staff will monitor



that HPRP program participants in your HMIS are at one of these two levels throughout the time they are enrolled in your program.

#### **DOCUMENTATION for Income Eligibility Determination and Documentation**

***Attachment 6 -Income: Eligibility Determination and Documentation Requirement*** explains how HUD wants income reviewed and calculated. The type of documentation outlined in this attachment will be examined in program participant files at time of grant monitoring.

***Attachment 7 – Verification of Income***

***Attachment 8 – Self Declaration on Income***

Attachments 7 and 8 are not required to a part of a program participant's file; however, it is strongly recommended. If the Lead Agency does not use the forms, the information should be readily identifiable in a program participant file.

#### **Q&A on income eligibility and documentation from HUD:**

***Do applicants for HPRP assistance have to deplete all of their liquid assets in order to be eligible for HPRP funds? Similarly, must a household's retirement and educational savings accounts be tapped prior to becoming eligible for HPRP assistance?***

As described in HUD's publication "HPRP Housing Status Eligibility Determination and Documentation Requirements" (attachment 1) part of determining eligibility is assessing the household's situation to determine if the household has any other financial resources, support networks, or subsequent housing options. A review of the household's assets would certainly be a relevant part of this analysis. However, HUD has not established requirements concerning how assets are to be treated and whether or what amount of assets held by an applicant household must be spent in order to qualify for HPRP assistance. In other words, whether an eligible household is required to spend down all of its assets or is allowed to retain a reasonable amount of assets is a local determination.

Grantees may establish a separate policy for each local Continuum of Care (CoC) where one or more subgrantees operate. In all cases, policy related to treatment of assets must be uniform across all subgrantees within a local CoC and determinations must be applied consistently to all applicant households within the CoC.

***HUD's HPRP Income Determination and Documentation Requirements publication indicates that the definition of income under HPRP reflects household's income at the time of application, and as such, documents and information collected to verify income must be "recent." What is considered recent for public assistance benefits?***

Documentation dated within 30 days of application is acceptable. However, for public assistance benefits (e.g., SSI), a benefits statement received anytime within the past year reflecting current benefits approved for and received by an applicant household and/or a copy of a recent bank deposit slip showing receipt of benefits is acceptable.

## 7. Habitability Standards and Inspections

Organizations providing rental assistance with HPRP funds will be required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Units should be inspected on an annual basis and upon a change of tenancy. Inspections are not required where program participants are staying in their own housing. The minimum habitability standards are listed in Appendix A of the Guidelines. These standards apply only when a program participant is receiving financial assistance and moving into a new unit. They do NOT apply to persons receiving services only. Please see the lead-based paint assessment requirements, as they differ from the habitability standard inspection requirements.

Complete records of inspections and follow-up actions must be maintained in program participant files and uploaded in HMIS into the Central Intake Documents section.

Note that the habitability standards are different from the Housing Quality Standards (HQS) used for other HUD programs. Because the HQS criteria are more stringent than the habitability standards, a Lead Agency could use either standard. Also note HUD does not exempt units from having to be compliant with local housing codes. Therefore, if there are requirements that are in both the local housing code and Appendix A, the grantee must comply with the more stringent of the two.

**In contrast to HQS inspections, the habitability standards do not require a certified inspector.** For example, HPRP project staff or staff from or hired by an agency of the Lead Agency's local government can conduct the inspection. In addition, if a program participant is moving in to a unit and using another subsidy program that requires an inspection, staff from the other program may conduct the inspection, as long as they follow the minimum habitability standards required by HPRP. Inspections must be conducted upon initial occupancy and then on an annual basis for the term of HPRP assistance.

Tenants must receive a copy of the Washington Residential Landlord-Tenant Act, RCW 59.18, and be informed on how to use this law when problems arise. Copies of the law are available from the Tenant Union of Washington State at 206.723.0500, local branches of Columbia Legal Services, and on the websites for the Office of the Attorney General ([www.atg.wa.gov](http://www.atg.wa.gov)) and NW Justice Project ([www.nwjustice.org](http://www.nwjustice.org)). The Tenant Union website ([www.tenantsunion.org](http://www.tenantsunion.org)) answers tenant's questions. The Attorney General's website ([www.atg.wa.gov](http://www.atg.wa.gov)) is a resource for both landlords and tenants.

Please note that housing that is occupied by families with children under the age of 6 and that was constructed before 1978 – whether served with prevention or re-housing assistance - must

also comply with Lead Based Paint inspection requirements, per the Lead Based Paint Poisoning Prevention Act. (Please see additional questions on lead-based paint inspection requirements.)

### **Q&A on habitability from HUD:**

#### ***What type of documentation does HUD require related to the housing habitability inspection?***

Lead Agencies are responsible for documenting that each unit meets the habitability standards as described in Appendix A. However, HUD is not requiring a particular form of documentation. A sample form is available on the HRE at

<http://hudhre.info/documents/HabitStandardsChecklist.doc>

#### ***In addition to assessing habitability standards, the guidelines also say that the homes occupied by HPRP recipients must meet all state and local requirements. What documentation is required to satisfy that state and local housing requirements are met?***

Housing must be in compliance with state and local housing codes. The habitability standards do not replace state and local codes. If a local Certificate of Occupancy or other inspection is required by local code, it cannot be used in place of the HPRP habitability inspection unless the grantee can verify that it meets all of the standards in Appendix A (including the frequency with which the inspection is required). If there are requirements that are covered in both the habitability standards and state/local housing code, grantees must comply with the more stringent of the two. However, compliance with state and local codes is a local matter. Typically, landlords should have a Certificate of Occupancy or other documentation that ensures that the building complies with local requirements. If grantees have questions about their state or local housing code, they are encouraged to contact their state or local housing agency for more information.

## **8. Lead-Based Paint Requirements**

The Lead-Based Paint requirements are more stringent than the habitability standards, and they apply to all housing in which families assisted with HPRP funds will reside, whether they are assisted with homelessness prevention or rapid re-housing. **Specifically, the regulations apply to the unit and to common areas servicing the unit when HPRP assistance is provided to a unit constructed before 1978 in which a child under the age of 6 will be residing**, unless it meets one of the following criteria: a) it is a zero-bedroom or SRO-sized unit, b) it is housing for the elderly and there are no children under the age of 6, c) a lead-based paint inspection has been conducted in accordance with HUD regulations and found not to have lead-based paint, d) the property has had all lead-based paint identified and removed in accordance with HUD regulations or e) it meets any of the other exemptions described in 24 CFR part 35.115(a).

An initial visual assessment and periodic inspections are required for as long as HPRP funds are being used to assist the family (noted in **bold** above) in the unit. Both must meet HUD's standards described in the applicable regulations. In addition, the unit must be inspected again if a new family assisted with HPRP funds moves in, and the clock for periodic inspections is reset. Finally, the owner must provide a notice to occupants if an evaluation and hazard reduction activities have taken place, in accordance with 24 CFR part 35.125.

Visual assessments can be conducted by a HUD-Certified Visual Assessor under HPRP, and must meet the requirements as outlined in the Lead-Based Paint Poisoning Prevention Act, as noted in Section VII.F of the Notice. A 20-minute online training course on conducting visual assessments can be found on HUD's website at

<http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>.

## **9. Termination of Participation, Denial and Grievance Procedures**

### **A. Termination of Participation and Grievance Procedures**

Causes for termination from the program may include, but are not limited to, failure to abide by the program requirements. The Lead Agency may resume assistance to a program participant whose assistance was previously terminated. In terminating assistance to a program participant, the Lead Agency must provide a formal process that recognizes the rights of individuals receiving assistance to due process of law. This process, at a minimum, must consist of:

- 1) Written notice to the program participant containing a clear statement of the reasons for termination;
- 2) A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
- 3) Prompt written notice of the final decision to the program participant.

### **B. Applicant Denial and Grievance Procedures**

Causes of denial of assistance include, but are not limited to, the individual or household's ineligibility for the program or failure to provide verifiable evidence of eligibility, etc. Lead Agencies must have in place a procedure that governs applicant denial and grievance process. These procedures should describe the program requirements and in which an applicant may not qualify or be denied. The grievance procedure could be the same as a program participant terminated. This would include, for example, allowing applicants to request a hearing regarding the termination of their denial.

The termination, denial, and grievance procedures should be readily available to participants either in written information or by posting the policy in a public place. It is important to effectively communicate these procedures to program participants and ensure that the procedures are fully understood.

## **10. Nondiscrimination and Equal Opportunity Requirements**

The Lead Agency must comply with all applicable fair housing and civil rights requirements in 24 CFR 5.105(a). In addition, Lead Agencies must make known that HPRP rental assistance and services are available to all on a nondiscriminatory basis and ensure that all citizens have equal access to information about HPRP and equal access to the financial assistance and services provided under this program. Among other things, this means that each Lead Agency must take reasonable steps to ensure meaningful access to programs to persons with limited English proficiency (LEP), pursuant to Title VI of the Civil Rights Act of 1964. This may mean providing language assistance or ensuring that program information is available in the appropriate languages for the geographic area served by the jurisdiction and that limited English proficient persons have meaningful access to HPRP assistance. This will be a particular issue for state Lead Agencies that may not be aware of LEP speaking populations in jurisdictions that are not normally served with Emergency Shelter Grant (ESG) funds. To assist Lead Agencies, the Department published the "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons" (72 Federal Register 2732; January 22, 2007). In addition, all notices and communications shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities consistent with section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR 8.6. If the procedures that the Lead Agency intends to use to make known the availability of the rental assistance and services are unlikely to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for such rental assistance and services, the Lead Agency must establish additional procedures that will ensure that such persons are made aware of the rental assistance and services.

## **11. Affirmatively Furthering Fair Housing**

Under section 808(e)(5) of the Fair Housing Act, HUD has a statutory duty to affirmatively further fair housing. HUD requires the same of its funding recipients. Lead Agencies will have a duty to affirmatively further fair housing opportunities for classes protected under the Fair Housing Act. Protected classes include race, color, national origin, religion, sex, disability, and familial status. Examples of affirmatively furthering fair housing include: (1) marketing the program to all eligible persons, including persons with disabilities and persons with limited English proficiency; (2) making buildings and communications that facilitate applications and service delivery accessible to persons with disabilities (see, for example, HUD's rule on

effective communications at 24 CFR 8.6); (3) providing fair housing counseling services or referrals to fair housing agencies; (4) informing participants of how to file a housing discrimination complaint, including providing the toll-free number for the Housing Discrimination Hotline: 1- 800-669-9777; and (5) recruiting landlords and service providers in areas that expand housing choice to program participants.

## **12. Drug-Free Workplace Requirements**

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701, et seq.) and HUD'S implementing regulations at 24 CFR part 21 apply to HPRP.

## **13. Equal Participation of Religious Organizations**

Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HPRP. Neither the federal government nor a Lead Agency shall discriminate against an organization on the basis of the organization's religious character or affiliation.

Organizations that are directly funded under HPRP may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under HPRP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under WRP, and participation must be voluntary for the program participants.

A religious organization that participates in HPRP will retain its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HPRP funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide HPRP-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a HPRP-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

An organization that participates in the HPRP program shall not, in providing program assistance. Discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or

commingle them. However, if the funds are commingled, the requirements listed above apply to all of the commingled funds.

## **14. Lobbying and Disclosure Requirements**

The disclosure requirements and prohibitions of section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (the Byrd Amendment), and implementing regulations at 24 CFR part 87, apply to HPRP. Applicants must disclose, using Standard Form LLL (SF-LLL), "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of Congress, or congressional staff regarding specific grants or contracts.

## **15. Confidentiality of Program Participant Records**

The Lead Agency must have policies and procedures ensuring program participant records are maintained in a confidential manner, and that the address or location of any assisted housing will not be made public, except to the extent that this prohibition contradicts a preexisting privacy policy of the Lead Agency. To comply with this requirement, Lead Agencies should, for example, keep written records or files pertaining to program participants under lock and key with designated personnel granted access to those files.

## **16. Criminal Background Checks**

The Lead Agency must initiate criminal history background checks pursuant to WA State RCW 43.43.832 and 43.43.834 for all prospective employees and volunteers who may have unsupervised access to children.

## **17. Program Administration**

### **A. Lead Agency and subcontractor Eligibility**

An eligible Lead Agency and sub contractor must:

- 1) Be a unit of local government in the state, and/or
- 2) Be a private non-profit organization

Organizations that are religious or faith-based are eligible, on the same basis as any other organization. However, organizations may not engage in inherently religious activities, such as worship, religious instruction or proselytization as part of the programs or services funded under HPRP. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded under HPRP, and participation must be voluntary for the program participants. An organization that participates in the HPRP program shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

## **B. Central Contractor Registration and DUNS Number**

The Lead Agency and subcontractors must have a current DUNS number and maintain their registration in the Central Contractor Registration (CCR). A DUNS number is required to register with CCR.

If a Lead Agency or a subcontractor moves, they must update their address with DUNS and CCR.

Duns and Bradstreet – [www.dnb.com](http://www.dnb.com)

Central Contractor Registration - [www.ccr.gov](http://www.ccr.gov)

## **C. Lead Agency Responsibilities**

### **1) Lead Agency contracts**

A Lead Agency cannot subgrant work or services contemplated under this program without prior authorization from Commerce. It is the responsibility of the Lead Agency to ensure that sub contractor meet eligibility requirements. The intent to subcontract shall be included in the Lead Agency's application to Commerce. Approval of the Lead Agency's application, including the intent to subcontract, shall constitute authorization.

**If there are any changes to what was approved in the Lead Agency's application to Commerce with sub contractors, the Lead Agency must notify Commerce in writing within 15 days of the change.**

A Lead Agency with sub contractors must enter into legally binding written grant agreements to ensure that all Commerce grant terms and conditions are passed on to sub contractors. This must include a signed grant that details the budget to be reimbursed and all of the Commerce grant terms and conditions.

### **2) Deadlines for Using Grant Award**

Each Lead Agency must draw down 70 percent of the award amount by 6/3/2011 and 100 percent of the award by 6/30/2012.



### 3) Monitoring and Compliance of subcontractors

It is the responsibility of the Lead Agency to monitor subcontractors at a minimum of once every program year. The monitoring may consist of either a desk monitor or on-site visit. Terms and conditions of the grant and program guidelines need to be reviewed for compliance. At least one month of back up documentation needs to be reviewed to substantiate charges made to the program.

The Lead Agency must review the accounting practices of subcontractors that do not have an independent audit.

The Lead Agency must ensure all funds are expended in a timely manner, and according to the terms and conditions of the Commerce grant.

Commerce will review the Lead Agency's monitoring reports of their subcontractors.

#### **D. Billing Procedures**

Lead Agencies must bill Commerce no more than monthly for reimbursement of allowable costs, using the Voucher Distribution form provided by Commerce. Payment will be made upon receipt of all required documents and reports. If required reports are not submitted in a timely manner, Commerce will delay payment until the reports are received. If the Lead Agency fails to file an invoice within a two-month period, without a reasonable explanation, Commerce will not authorize payment and may elect to terminate the contract.

Lead Agencies may be paid in advance pursuant to procedures outlined in 24 CFR 84.22 for non-profit organizations and 24 CFR 85.21 for units of government. An advance payment must be approved by Commerce before a Voucher Distribution form is submitted to Commerce.

#### **E. Financial Records**

The Lead Agency must maintain copies of all reimbursement requests and backup documentation including those from the sub contractor. The Lead Agency must maintain records that disclose all costs, including sub contractor costs, charged to the Commerce contract.

#### **F. Reports**

The Lead Agency is responsible for submitting required reports (which includes sub contractor information) by the dates due using required forms. The reports include, but are not limited to, the following:

<b>Report</b>	<b>Due Date</b>
Invoice Voucher	No more than monthly, due on the 15 <sup>th</sup> of month following the provision of services.
Commerce Sub Recipient and Quarterly Performance Report	By the 5 <sup>th</sup> of the month of each quarter.

#### **G. Budget Amendments**

The approved budget will be identified in the contract documents. Budget revisions require a contract amendment. Requests must be submitted to, and approved by, Commerce before the Lead Agency submits expenditure reports reflecting the revisions.

#### **H. Changes to Guidelines**

Commerce may issue revised or new guidelines at any time. All Lead Agencies will be sent revised copies as they are published. It is the Lead Agency responsibility to pass on the revisions to sub contractors or sub grantees.

## Appendix A

Organizations providing rental assistance with HPRP funds will be required to conduct initial and any appropriate follow-up inspections of housing units into which a program participant will be moving. Following are the habitability standards that Lead Agencies must follow:

- (1) State and local requirements. Each Lead Agency and their subcontractor under this Notice must ensure that housing occupied by a family or individual receiving HPRP assistance is in compliance with all applicable state and local housing codes, licensing requirements, and any other requirements in the jurisdiction in which the housing is located regarding the condition of the structure and the operation of the housing or services.
- (2) Habitability standards. Except for less stringent variations as are proposed by the Lead Agency or subcontractor and approved by HUD, housing occupied by a family or individual receiving HPRP assistance must meet the following minimum requirements:
  - (1) Structure and materials. The structures must be structurally sound so as not to pose any threat to the health and safety of the occupants and so as to protect the residents from the elements.
  - (2) Access. The housing must be accessible and capable of being utilized without unauthorized use of other private properties. Structures must provide alternate means of egress in case of fire.
  - (3) Space and security. Each resident must be afforded adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.
  - (4) Interior air quality. Every room or space must be provided with natural or mechanical ventilation. Structures must be free of pollutants in the air at levels that threaten the health of residents.
  - (5) Water supply. The water supply must be free from contamination.
  - (6) Sanitary facilities. Residents must have access to sufficient sanitary facilities that are in proper operating condition, may be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.
  - (7) Thermal environment. The housing must have adequate heating and/or cooling facilities in proper operating condition.
  - (8) Illumination and electricity. The housing must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of residents. Sufficient electrical sources must be provided to permit use of essential electrical appliances while assuring safety from fire.

- (9) Food preparation and refuse disposal. All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a sanitary manner.
- (10) Sanitary condition. The housing and any equipment must be maintained in sanitary condition.
- (11) Fire safety.
  - (a) Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by hearing-impaired persons, smoke detectors must have an alarm system designed for hearing-impaired persons in each bedroom occupied by a hearing-impaired person.
  - (b) The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.